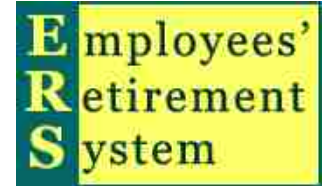




Employees' Retirement System Communicator



February, 2009

Special Edition

V-3 Update

V-3 Update

ERS has good news to share to everyone!

In January, we successfully generated our first pension check from ERS's new V-3 pension system. Our first run for over 7,300 retirees were delivered on time and accurately. As with any new system kick-off, there were a few issues we manually had to intervene and rectify. We expect our next check run in February to be completely correct.

We would like to thank all our retirees for their patience and letting us know of things needing to be addressed. The V-3 system is designed to accurately determine eligibility, benefit calculations and payment based on our retirement plan rules. ERS could not have achieved these objectives

without your cooperation and support.

With our new system in place, we can now focus on enhancing our service to retirees through the new features available through V-3, as well as continuing to improve our retiree communications.

This Special Edition of the *ERS Communicator* will address the most commonly asked questions that we received since the January checks were issued. Please review these carefully and continue to share your thoughts with us concerning ways to improve the new V-3 system.

David Arena
Director of Employee Benefits

Frequently Asked Questions

Q) The account number displayed in the direct deposit notification is not my account number, is the deposit being made to the correct account?

A) The deposits are going to the actual bank account number. The number that is displayed where the account number should be, was your employee clock number, please disregard it. This discrepancy will be corrected within the next few checks.

Q) Why are my tax amounts different from what I used to see in my December check?

A) Both the State and Federal withholding tax tables have changed for 2009. Unless you have a fixed amount being deducted, you will see a small difference in your withholding taxes as a result of the tax table change.

Q) Why did I receive a paper check instead of a direct deposit?

A) Some direct deposits did not process as anticipated and paper checks were issued in their place. For those individuals that received paper check instead of a direct deposit, please call ERS at 414-278-4207 to verify that your account and routing numbers are accurate.

Q) I did not see the taxable or non-taxable service in the pension box. Were my taxes calculated accurately?

A) Currently, the taxable service, non-taxable service, and VETC pay all are combined in the pension box. The individual totals are correct and verified, so your tax calculations are accurate.

Q) My 1099-R statement shows an inaccurate amount in Box 5. How will this affect my tax filing?

A) Some 1099-R statements show an amount that was incorrectly doubled during processing. This error occurred only on your statement. The information reported to the IRS will be the accurate amount. Please use your actual amount on your tax filing.

Q) I have seen life insurance premiums deducted which were not deducted previously or vice versa, why did this happen?

A) The system is programmed to incorporate policies, procedures, and ordinances. We are investigating the cause for each of these variances and will address the problem so that you will not see this discrepancy on future checks. If the deductions are valid, you will be notified before your next check arrives.

Q) If I see variances in my check as a result of an issue not discussed above, what should I do?

A) It is our intent to address all discrepancies immediately so they do not appear in subsequent checks. If you have pension discrepancies, please call ERS at 414-278-4207 or for life and medical discrepancies please call 414-278-4198. You should be pleased to know that the overall discrepancies for our new system launch has been minimal, hence we are confident that most of these issues will be addressed before your next check. We appreciate everyone's patience and understanding.